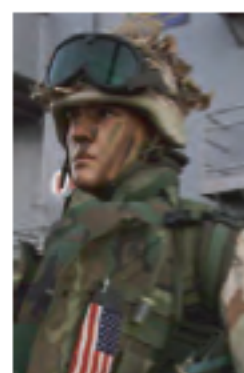


109th Congress

Creating Jobs and Delivering on America's Priorities



August Recess 2005 / District Work Period

<http://src.senate.gov>

SENATE REPUBLICAN CONFERENCE

Rick Santorum, Chairman

Kay Bailey Hutchison, Vice Chairman

<http://gop.senate.gov>



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Rick Santorum, Chairman
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109th Congress

July 28, 2005

Dear Colleague,

This recess packet will assist your efforts to communicate to your constituents that we are creating jobs and delivering on America's priorities. Republican pro-job policies are working --- with 146,000 new jobs in June resulting in nearly 3.7 million new jobs created over the past 25 months. Unemployment has fallen to 5%, the lowest rate since September 2001. Moreover, increased revenue flows from our strong economy have resulted in a \$94 billion reduction in the currently projected budget deficit to \$333 billion or 2.7% of GDP.

What have we done recently to create jobs?

- Passed the Highway Bill to make our roads safer, strengthen our infrastructure and create jobs. (For every \$1 billion invested in federal highway and transit spending, 47,500 jobs and job opportunities are created and sustained). (DoT)
- Passed an Energy Bill to provide clean, affordable energy for a growing secure economy, and to protect nearly 2 million jobs over the next decade.
- Passed CAFTA which will open up new markets for American goods by reducing hefty tariffs and leveling the playing field for American farmers, manufacturers, and workers.
- Passed a Budget that protects America, promotes economic growth, cuts taxes and keeps the United States on track to cut the deficit in half by 2009.
- Passed and President Bush signed into law Class Action Reform to prevent self-serving personal injury lawyers from pushing frivolous lawsuits, causing Americans to lose jobs.
- Passed and President Bush signed into law Bankruptcy Reform so that people who are responsible and pay their bills on time do not have to subsidize the irresponsible actions of a few.

August recess presents an important time to highlight our accomplishments and agenda. It is critical to emphasize that we are the party of governance. We have a positive agenda for America, and we have a list of accomplishments. We alone are in a position to communicate this message effectively.

We are working with the House of Representatives to emphasize the important JOBS accomplishments of transportation and energy in the first week of recess. Subsequently, we are highlighting the introduction of the Senate health care agenda in S. 4, as well as the coming implementation of the Medicare prescription drug program. The 70th Anniversary of Social Security is Sunday, August 14th--- and we need to highlight our efforts to save Social Security for retirees and future generations. Next, we stress the critical importance of standing fast in the War on Terror. Finally, we highlight the importance of education and the success of No Child Left Behind in improving testing scores for minorities and all children in younger grades as America's children begin a new school year.

Throughout the recess you will receive questions regarding the important confirmation process of President Bush's Supreme Court nominee, Judge John Roberts. We have provided a separate packet on the confirmation process. Please make use of this information as you interact with your constituents and spread our message of accomplishment and our positive agenda for the future.

Thank you.


Rick Santorum, Chairman


Kay Bailey Hutchison, Vice-Chair



Senate Republican Conference Agenda

***Republicans are Committed to Providing:
Personal Security, Economic Freedom, and Opportunity
and Compassion for every American.***

Save and strengthen Social Security

Republicans will save and strengthen Social Security by protecting promised benefits for today's seniors and those nearing retirement while offering younger workers increased financial security through a voluntary personal retirement account - a nest egg they can call their own and pass on to their children.

It's your money

Republicans believe simpler, fairer and lower taxes will promote job creation.

Leadership in the war on terror to best defend America

American security is dependent on combating terrorism, promoting democracy worldwide and supporting a well-trained and well-equipped military and their families.

Deliver accessible, affordable and quality health care for all Americans

Republicans will ensure that patients have access to quality and more affordable health care while lowering the cost of health insurance, offering more choices for services and increasing coverage for the uninsured.

Stop abusive lawsuits now

Republicans will end personal-injury lawyers' frivolous lawsuits to save jobs and ensure fair compensation for true victims.

Fight poverty by empowering families in need

Republicans will alleviate poverty and strengthen families first by encouraging an ownership society, providing work opportunities and partnering with faith-based groups, community charities and businesses.

Promote good 21st century American jobs

Republicans will create an environment to grow jobs by less taxation and litigation, sensible regulation, greater research and development, quality education and strong infrastructure.

Lifelong learning for better jobs

Republicans will develop a lifelong approach to education, training and research that prepares all Americans for jobs of the future, promotes access to college and ensures accountability of federal dollars.

Clean energy for jobs and energy independence

Republicans are committed to innovative new technologies to develop America's energy resources that create jobs and reduce our dependence on foreign oil and gas while preserving the environment.

Cut wasteful spending and keep taxes low to create jobs

Republicans pledge to create jobs through responsible spending, deficit reduction and lower taxes.

Confirm fair judges through a fair process

Republicans will confirm judges who will follow the law - not make the law - by ensuring timely up-or-down votes for all nominees on the Senate floor.

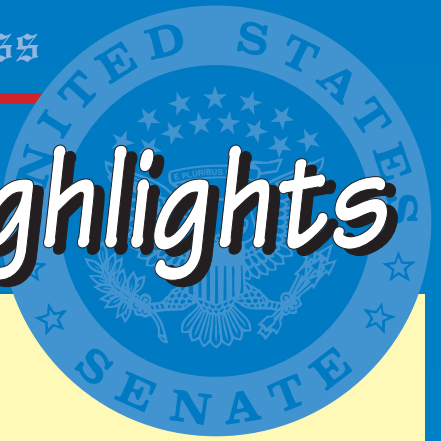
Protect marriage for the good of families, children and society

Republicans will protect marriage - a core social institution - from redefinition by activist judges.

2005 August Recess Period: **Delivering on America's Priorities**

S	M	T	W	T	F	S
	1	2	3	4	5	6
Week 1: Aug. 1st		Jobs				
7	8	9	10	11	12	13
Week 2: Aug. 8th		Health Care				
14	15	16	17	18	19	20
Week 3: Aug. 15th		Social Security				
21	22	23	24	25	26	27
Week 4: Aug. 22nd		War on Terror				
28	29	30	31			
Week 5: Aug. 29th		Education				

Achievements/Highlights



- ☒ CAFTA
- ☒ Energy Bill
- ☒ Budget
- ☒ Supplemental
- ☒ Bankruptcy Reform
- ☒ Class Action Lawsuit Reform
- ☒ Highway Bill
- ☒ Judicial Nominations
- ☒ Appropriations

Up Next/Highlights...

- ☐ Appropriations
- ☐ Asbestos Lawsuit Reform
- ☐ Social Security Reform



Jobs



Senate Republican Conference Jobs Agenda for the 109th Congress:

Reduce the tax burden on American taxpayers and businesses - Extend the lower dividend and capital-gain tax rates and the higher small business equipment expensing provisions through 2010, while working to repeal the death tax

Energy Bill - Allow American businesses the opportunity to provide reliable and affordable supplies of energy to meet America's growing needs while reducing its dependence on foreign sources of energy

Highway Bill - Provide equitable and reliable funding for necessary infrastructure projects

Free Trade Legislation - Approve negotiated agreements that bolster the U.S. economy and expand American job opportunities

Trade Promotion Authority - Extend President's authority to negotiate additional trade agreements to open world markets for American businesses and consumers

Asbestos Bill - Pass asbestos reform that will save American jobs and help injured workers. Target help to those workers injured by asbestos and protect businesses from frivolous lawsuits.

Class Action Reform - Reduce junk lawsuits by streamlining legal process to ensure that injured Americans receive compensation

Welfare Reform Reauthorization - Build on the success of previous welfare reform by expanding work opportunities and strengthening families

Workforce Investment Act - Provide American workers with enhanced opportunities to receive training for new and better jobs

Workplace Flexibility - Permit employers to establish voluntary compensatory and flexible time policies to give employees more choices

Enhanced Workplace Safety - Reform OSHA to increase compliance, reduce wasteful expenses and cut bureaucratic red tape in order to help minimize workplace accidents

Higher Education Reauthorization - Support accessibility and affordability of higher education for all students, and stronger links between post-secondary institutions and businesses

Free trade, curbs on lawsuit abuse, jobs highlight GOP record

By Sen. Rick Santorum (R-Pa.)

The Senate has reached the midway mark in a productive first session. Senate Republicans are delivering results for the American people with an agenda that is making a difference in people's everyday lives. Republicans have delivered on jobs and the economy. Before adjourning for the July 4 recess, the Senate passed the U.S.-Dominican Republic-Central America Free Trade Agreement (CAFTA), which is expected to expand U.S. sales to the region by more than \$3 billion in the first year alone. By expanding our access to emerging global markets, CAFTA will boost our economy and promote American job opportunities.

The free-trade victory followed Senate passage of a comprehensive, bipartisan energy-reform bill that will save 2 million American jobs over the next decade, bring tangible savings for suffering oil and gas consumers, and lessen our dependence on foreign sources of energy. And earlier this session the Senate approved a highway bill that will make our roads safer, strengthen America's transportation system and create jobs.

Lawsuit-abuse reform also is critical to protecting the economy. Junk lawsuits have driven the total cost of America's tort system to more than \$240 billion a year, higher than any other major industrialized nation. Senate Republicans led on enactment of a historic class-action-reform bill that will curb frivolous lawsuits and ensure that injured Americans receive just compensation. The Senate also passed bankruptcy reform to protect consumers who act responsibly from having to pay the bill for those who abuse the system.

Republicans are promoting responsible government spending. We passed a budget that promotes economic growth, lowers taxes and keeps the United States on track to cut the deficit in half by 2009. In addition, we approved a supplemental bill that ensures adequate funding for the war on terrorism while providing for the needs of our troops.

The Republican economic agenda is working, as the new jobs numbers demonstrate. The latest jobs report, released July 8, showed U.S. employers added 146,000 jobs in June as the unemployment rate fell to 5 percent, its lowest point in nearly four years. Twenty-five consecutive months of job gains have added more than 3.7 million new jobs to payrolls, and the unemployment rate remains below the averages of each of the past three decades. Now that we are back, we have more to do and need Democrats to help us move forward. We need to pass the remaining appropriations spending bills. We also must complete our work on highway, energy and CAFTA legislation in conference committee with the House to ensure final passage and enactment.

Social Security reform remains a priority issue. Senate Republicans believe the problem facing Social Security is too important for partisan politics. We continue to work toward a bipartisan plan and support our Republican colleagues who are offering responsible solutions in the hope of making progress. It is time for Democrats to do the same.

And later this summer we will begin the historic process of confirming a Supreme Court justice to replace retiring Justice Sandra Day O'Connor. Senators should conduct the nomination process with civility and fairness, including a fair hearing, floor debate and timely up-or-down vote on confirmation.

It is important that we have a fair, up-or-down vote and ensure that the new justice is confirmed and sitting on the bench for the start of the Supreme Court term in October to prevent disruption to the administration of justice.

I am confident that, with the help of our Democratic colleagues, we can continue making progress for the American people on both legislative and nomination business.



PATRICK G. RYAN

Sen. Rick Santorum (R-Pa.)

Santorum is chairman of the Senate Republican Conference.

HIGHLIGHTS OF THE BIPARTISAN ENERGY BILL



The bipartisan Senate energy bill contains the following key provisions to increase production, increase conservation, diversify fuel supply and employ new technologies:

Ethanol

Creates an ethanol mandate requiring fuel manufacturers to use 7.5 billion gallons of ethanol in gasoline by 2012 – a move that will reduce oil consumption by 80,000 barrels of oil a day by 2012, according to Energy Information Administration.

- ◆ The Farm Bureau estimates that the ethanol provisions
 - Reduces crude oil imports by 2 billion barrels and reduce the outflow of dollars largely to foreign oil producers by \$64 billion;
 - Create 234,840 new jobs in all sectors of the U.S. economy;
 - Increase U.S. household income by \$43 billion;
 - Add \$200 billion to GDP between 2005-2012;
 - Create \$6 billion in new investment in renewable fuel production facilities; and
 - Result in the spending of \$70 billion on goods and services required to produce 8 billion gallons of ethanol and biodiesel by 2012.

Efficiency and Conservation in Home and Commercial Businesses:

Creates ambitious efficiency and conservation program that sets first-time efficiency standards for 14 large appliances and raises the efficiency standards for others. Provides a total of \$2.7 billion in tax incentives to encourage efficiency and conservation.

- ◆ These provisions will shave between 10 and 40 percent off the anticipated growth of energy demand by 2015. The American Council for an Energy Efficient Economy reports that these provisions will save 50,000 MW of peak electricity demand by 2020. That's the equivalent of 170 300-MW power plants.
- ◆ Efficiency and conservation tax credits encourage the construction of energy-efficient offices and homes, the purchase of energy efficient heating and cooling systems and appliances.
- ◆ Expands an existing business solar investment tax credit from the current 10 percent to 30 percent for the purchase of solar equipment.
- ◆ A tax deduction equaling the cost of energy efficient equipment installed if the equipment reduces the energy and power consumption of a commercial building by 50 percent.

- ◆ Tax credits for the contractors of new energy efficient homes if the homes achieve an energy savings of 50 percent or more over the 2003 International Energy Conservation Code.
- ◆ Tax credits for the purchase of water heaters, heat pumps, air conditioners, furnaces and other equipment that achieve certain efficiency levels when purchased for residential properties.
- ◆ A new tax credit for manufacturers who produce highly energy-efficient dishwashers, clothes washers and refrigerators.
- ◆ 30 percent tax credit for the purchase of solar, photovoltaic and fuel cell properties for use in residences

Efficiency and Conservation in Government Buildings

- ◆ The energy bill also provides long-term authorization of Energy Savings Performance Contracts, a program which provides incentives for energy-saving improvements in federal buildings.
- ◆ The energy bill helps state governments save energy, too, by authorizing grants to states with up-to-date building codes to increase compliance with those codes.

Fuel Efficiency

- ◆ Offers business and consumers tax credits for the purchase of alternative-fuel and hybrid vehicles. The value of the tax credit ranges from \$2,000 for smaller, personal cars to \$40,000 for the purchase of buses, etc. This conservation incentive alone totals \$874 million.
- ◆ Provides a 30 percent credit (up to \$30,000) for investments in alternative fuel refueling stations. Qualifying fuels include E-85, natural gas, hydrogen, and biodiesel, among others. The credit expires after December 31, 2007.
- ◆ Instructions to NHTSA to look for ways to improve Corporate Automobile Fuel Efficiency standards while taking into consideration the impact on automobile safety, jobs and the economy.
- ◆ Tougher requirements for federal alternative fuel fleets to ensure these vehicles actually use clean alternative fuels.
- ◆ Creates the joint flexible fuel hybrid vehicle commercialization initiative to improve technologies for the commercialization of hybrid/flexible fuel vehicles. The program is intended to reduce petroleum consumption by bringing new clean technologies to the market faster.
- ◆ Creates new programs to create railroad efficiency, aviation fuel conservation and emission reductions, reduce heavy engine idling times to reduce fuel consumption and pollution and to promote ultra-efficient energy technology for air crafts.
- ◆ Gives NHTSA more money to promote implementation and enforcement of fuel economy standards.

Renewable Energy

- ◆ Provides \$2.7 billion in production tax credits to encourage the production of clean renewable energies for wind, closed-loop biomass, open-loop biomass, geothermal, small irrigation power, landfill gas, and trash combustion.
- ◆ Expands the production tax credit to incremental hydropower. In addition, allows pass through of the credit to members of a cooperative.
- ◆ Authorizes the issuance of \$800 million of tax-credit bonds before December 31, 2007 to support renewable investment by municipal power authorities, rural cooperatives and others.

Hydropower

Improves regulation on hydroelectric dams to allow for more hydroelectric power generation while preserving existing protections for fish and the environment.

- ◆ Hydroelectric dams are the nation's largest renewable energy source and account for 7 percent of America's electricity supply.
- ◆ Nearly half of America's non-federal dams need to be relicensed by 2020 – the provisions in the energy bill pave the way for that relicensing in a way that protects the environment and allows for input from the public and special interest groups.

Electricity Modernization and Reliability

Includes provisions to encourage the expansion and modernization of the electricity grid as well as new mandatory reliability rules designed to prevent future blackouts.

Protects consumers by preventing the manipulation of gas and electricity prices and increasing the penalties for violating federal prohibitions against these crimes.

- ◆ The bill authorizes FERC to proscribe rules necessary to protect price transparency. FERC can establish an electronic reporting system if existing price reporting is not adequate.
- ◆ It includes an explicit prohibition on filing false information and a tougher ban on general manipulation as well as increased penalties for violating the Federal Power Act.
- ◆ Protection for utility consumers in the Enron bankruptcy from unfair contract termination fees by authorizing FERC to determine those fees.

Hydrogen

The Senate Energy bill authorizes \$3.7 billion over 5 years for hydrogen and fuel-cell research as well as infrastructure to support hydrogen-powered cars. If just 20 percent of cars used fuel cell technology, we could cut oil imports by 1.5 million barrels every day, according to the U.S. Fuel Cell Council.

- ◆ The bill creates a hydrogen research program in conjunction with federal labs, universities and auto manufacturers to design hydrogen cars.
- ◆ It authorizes the construction of nuclear reactor at the DOE Idaho National Laboratory which will generate both electricity and hydrogen which could be used as fuel in the hydrogen economy. Building a first-of-its-kind nuclear reactor to co-generate hydrogen will create 3,000 construction jobs and 500 long-term, high-paying, high-tech jobs. (Nuclear Energy Institute)
- ◆ Hydrogen-powered cars reduce our reliance on foreign oil and protect our environment. With hydrogen fuel, a zero-emission car is possible. Safe and affordable hydrogen-powered fuel-cell vehicles would emit water vapor instead of exhaust fumes.
- ◆ Two years ago, the President launched his Hydrogen Fuel Initiative to develop the technology to produce, store, and distribute hydrogen for use in fuel-cell vehicles. Hydrogen can be produced from domestic fossil, nuclear, or renewable resources.
- ◆ The authorization in the energy bill will add to the \$440 million already spent on federal research. This investment is helping to move hydrogen fuel-cell cars from the laboratory to the showroom. Provisions in the energy bill will help overcome critical technology barriers in the production, transportation, storage, and use of hydrogen.
- ◆ Some barriers are already being overcome. While gasoline prices climb, hydrogen fuel is becoming more affordable. New technologies have driven the cost of natural gas-based hydrogen down from \$5.00 per gallon in 2003 to \$3.60 today.
- ◆ The movement toward a hydrogen economy is gaining momentum in the United States. Five major energy companies have joined as partners in the President's FreedomCAR and Hydrogen Fuel Initiatives. In addition, over 70 projects at universities and federal laboratories have been selected to conduct basic research in support of the hydrogen economy.
- ◆ The United States has also organized support from around the world for hydrogen technology. Sixteen nations and the European Commission have joined the U.S.-initiated International Partnership for The Hydrogen Economy, an international effort to collaborate on hydrogen research and establish global codes and standards necessary for all countries to realize competitively priced hydrogen vehicles and fueling infrastructure by 2020.
- ◆ The United States currently produces about 9 megatons of hydrogen per year, almost all of it by reforming natural gas. The Department of Energy estimates that by 2040 cars and light trucks powered by fuel cells will require about 150 megatons per year of hydrogen.
- ◆ The higher efficiency of fuel cells would dramatically improve the efficiency of future energy use. Today's fuel cells achieve efficiencies of 60 percent compared to 22 percent for gasoline engines and 45 percent for diesel engines.

- ◆ Unlike electricity, which must be produced and used at the same rate, stored hydrogen can be stockpiled for much later use. Fuel cells can also supplement the conventional electric grid during periods of peak consumption. This approach could lead to lower electricity costs and a more reliable grid.

Climate Change

- ◆ The bill creates a Climate Technology program that directs the Secretary of Energy to lead an inter-agency process to develop and implement a national climate technology strategy.
- ◆ It also establishes an executive branch Climate Coordinating Committee and Climate Credit Board to assess, approve and fund these projects.
- ◆ Using greenhouse gas intensity as a measure of success, the bill creates incentives for innovative technologies and encourages partnership with other developing nations.

Nuclear Power

Nuclear energy is the world's largest source of emission-free energy. Nuclear power plants produce no controlled air pollutants, such as sulfur and particulates, or greenhouse gases. The use of nuclear energy in place of other energy sources helps to keep the air clean, preserve the Earth's climate, avoid ground-level ozone formation and prevent acid rain.

- ◆ The bill has several provisions to ensure that nuclear energy remains a major component of the Nation's energy supply. Nuclear power currently provides 20 percent of America's electricity. It is our cheapest form of electricity, second only to hydropower. It one of our safest, most reliable and cleanest energies.
- ◆ The energy bill offers a 1.8 cent per kilowatt hour production tax credit for electricity produced by new nuclear power. This applies only to the first half dozen advanced nuclear power plants.
- ◆ It offers federal loan guarantees for innovative technologies – including new advanced nuclear reactors – that will diversify and increase energy supply while protecting the environment. These guarantees are available only for new technologies that provide clean energy and protect the environment. Those seeking guarantees pay into the U.S. Treasury a sum equal to the financial risk assessed by the CBO, thus not costing taxpayers a dime.
- ◆ Establishes standby support framework through the DOE for new nuclear plant construction against regulatory or judicial delays for six reactors. This standby support would cover the delay before plant is put into operation.
- ◆ Extends Price Anderson liability protection is extended through 2025 for both NRC licensees and DOE contractors.
- ◆ Creates a stand-by support program to ensure that consumers do not have to pay higher electricity bills because of unforeseen delays in the construction of new nuclear power plants due to bureaucratic red tape or litigation. The program insures the utilities for the cost of these delays.

- ◆ Provides for the export of high enriched uranium to Canada, Belgium, France, Germany or the Netherlands for the sole purpose of producing diagnostic and life saving medical isotopes until a low enriched uranium alternative is commercially viable and available.
- ◆ Requires the DOE to propose a permanent disposal facility to Congress for Greater Than Class C waste within one-year of enactment.
- ◆ Strengthens security of nuclear facilities, including improved federal oversight of plant security and the expansion of federal statutes for sabotage of nuclear facilities.

Coal

Coal is one of America's most abundant resources. It accounts for more than half of our electricity and we have enough of it to last nearly three centuries.

- ◆ The energy bill creates a strong federal program to design and deploy clean coal technologies so America can use this vital resource while protecting our air and water.
- ◆ The clean coal program will help protect vital jobs in America's coal states. It will help create 62,000 jobs, according to the Coal Utilization Research Council.
- ◆ The program ensures Americans new electricity that is abundant, reliable, affordable and cleaner than ever before.
- ◆ The bill includes tax incentives to encourage the construction of clean coal facilities, including a new 20 percent investment tax credit for clean coal facilities and a new 20 percent investment tax credit for coal gasification units that produce fuels and chemicals.

Oil and Gas

In the last three years, crude oil prices have gone up 171 percent, according to NYMEX. Gasoline prices have climbed 36 percent and diesel prices are up 55 percent, according to AAA. A prosperous economy and strong job sector requires affordable oil and gas. Strong domestic production of these energies is critical to keeping energy affordable.

- ◆ The energy bill includes provisions to streamline oil and gas development on existing federal lease sites to bring the fuels to market sooner.
- ◆ The bill permanently authorizes the Strategic Petroleum Reserve and authorizes the DOE Secretary to fill the reserve to 1 billion barrels.
- ◆ Calls for a DOI inventory of oil and gas resources on the Outer Continental Shelf to enable to the federal government to better assess the extent of these resources.
- ◆ Facilitates the construction of needed gas infrastructure by improving and streamlining the process to permit pipeline infrastructure with FERC as the lead agency and with a consolidated record
- ◆ Provides coastal impact assistance of \$1 billion over four years to energy-producing states to encourage ongoing production by assisting in coastal enhancement and conservation programs.

Safe, Accountable, Flexible, and Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU)

- SAFETEA-LU, or “the Highway Bill,” is historic legislation that will significantly improve our nation’s transportation infrastructure, create jobs, ensure safety and protect the environment.
- The Highway Bill is badly needed and has been a long time in the making. The previous transportation infrastructure bill - the Transportation Equity Act for the 21st Century (TEA-21) expired on September 30th, 2003.
- Since 2003, our nation’s transportation system has been operating under a series of 11 short-term extensions - the longest period in which our nation’s transportation program has operated under such extensions.
- A safe and effective transportation infrastructure will help grow our economy.
- SAFETEA-LU is as much a jobs bill as it is a transportation bill. It will create millions of employment opportunities for Americans across the country.
- According to the U.S. Department of Transportation, every \$1 billion of Federal money invested in highway improvements creates more than 47,500 jobs. That \$1 billion also yields \$500 million in new orders for the manufacturing sector and \$500 million spread throughout other sectors of the economy.

SAFETEA-LU:

- Provides \$244 billion in guaranteed spending over the 2005-2009 period (\$286.4 billion including 2004) for maintenance, and improvement of the nation’s roads, bridges, mass transit, and safety which creates millions of job opportunities across the country.
- Includes nearly \$90 billion more funding over TEA-21 levels.
- Provides a rate of return phased in to 92 percent by 2008 for donor states.
- Dedicates 2007 revenue-aligned budget authority (RABA) to increasing donor states’ rates of return up to 92 percent from 91.5 percent.
- Treats all states fairly, guaranteeing a minimum of a 19 percent growth rate over TEA-21 levels.
- Consolidates existing safety programs into a new core Highway Safety Improvement Program (HSIP) to provide increased funding and greater flexibility to states. The HSIP is designed to meet the growing safety needs and fatality and injury rates in each state through a strategic highway safety plan.
- Improves the Environmental Review Process for transportation projects.
- Authorizes the EPA’s Clean School Bus Program.

- Increases the effectiveness of the Congestion Mitigation and Air Quality (CMAQ) improvement program.

Background: Our Transportation Infrastructure and Safety Needs

- Contractors and State Departments of Transportation have needed Congress to pass a long-term reauthorization bill because they are currently unable to make important capital investments in large-scale road, bridge and transit projects.
- The nation's interstate system is nearly half a century old.
- 34 percent of our major roads are in poor or mediocre condition.
- 27 percent of our bridges are structurally deficient or functionally obsolete.
- 36 percent of the nation's urban rail vehicles and maintenance facilities are in substandard or poor condition.
- 29 percent of the nation's bus fleet and maintenance facilities are in substandard or poor condition.
- Nearly 43,000 people died in 2003 on our nation's highways. This represents the single greatest cause of accidental death for Americans ages 2 - 33. SAFETEA-LU addresses this by creating a new core safety program and funding it accordingly.
- According to the U.S. Department of Transportation (DOT), time spent in congestion increased from 31.7% in 1992 to 33.1% in 2000. Based on this rate, a typical "rush hour" in an urbanized area is 5.3 hours per day. The problem is not in just urban areas; cities with populations less than 500,000 have experienced the greatest growth in travel delays.
- According to DOT, the combined spending of all levels of government for the existing infrastructure should be \$106 billion annually for highways and \$20.6 billion for transit to simply keep pace with current needs.
- The Federal Highway Administration has noted that from 1990-2000 the number of vehicle miles traveled (VMT) on the highway system increased by 28 percent.
- VMT is projected to increase 50 percent by 2020.
- In 2000, roughly 63 percent of households owned two or more vehicles, however, we are not keeping up with demand by adding new miles to our highway system. Since 1988, the number of miles added to the highway system has increased by only one percent

- ◆ Ensures an adequate supply of natural gas in the coming years, including clarification of FERC's exclusive authority to site LNG facilities. The bill further ensures supply by creating a clear process for siting natural gas infrastructure such as pipelines and storage.

Indian Energy

Millions of acres of tribal lands are rich in diverse energy resources, including wind, hydropower, geothermal, solar, oil, gas and coal energies. The energy bill creates a legislative framework to help Indian tribes develop those resources in environmentally friendly ways without unnecessary bureaucratic red tape. This empowers tribes to provide more energy resources to homes and business in Indian land, contribute energy to regional energy markets and create new jobs.

- ◆ The bill allows Indian tribes to propose to the Department of Interior Tribal Energy Resources Development Plans for the development of the tribe's energy resources. Once DOI approves the plan, the Tribes can enter into leases and business agreements with private companies for the development of their energy resources within that plan.
- ◆ Creates in the Department of Energy the Office of Indian Energy Policy and Programs to assist Indian tribes in developing their tribal energy resources.
- ◆ Provides grants, low-interest loans and loan guarantees to tribes to promote energy resource development. Authorizes \$20 million annually for this program.
- ◆ Requires complete compliance with existing state and federal environmental laws.

Geothermal

Geothermal energy is an abundant energy in various parts of the country that is under-utilized. Geothermal energy is clean, renewable and, in countries like Iceland, is a primary source of energy.

- ◆ The energy bill creates a competitive geothermal leasing program that allows the private sector – not just government geologists – to identify geothermal areas for leasing. The program is intended to bring geothermal energy to the market sooner.
- ◆ The bill also includes incentives to counties to encourage geothermal development by allowing them to keep a percentage of the royalties from that development.

Oil Shale and Tar Sands

The U.S. Geological Survey estimates the United States has 2 trillion barrels of oil locked in oil shale, primarily in western states. The country has an additional 80 billion barrels of oil in tar sands.

- ◆ The energy bill establishes of a task force to make recommendations on a national oil shale and tar sands leasing program.
- ◆ The bill creates an oil shale R&D program.

The bill also directs the DOI Secretary to conduct a commercial lease sale for oil shale in states where the Secretary finds support and interest for doing so.

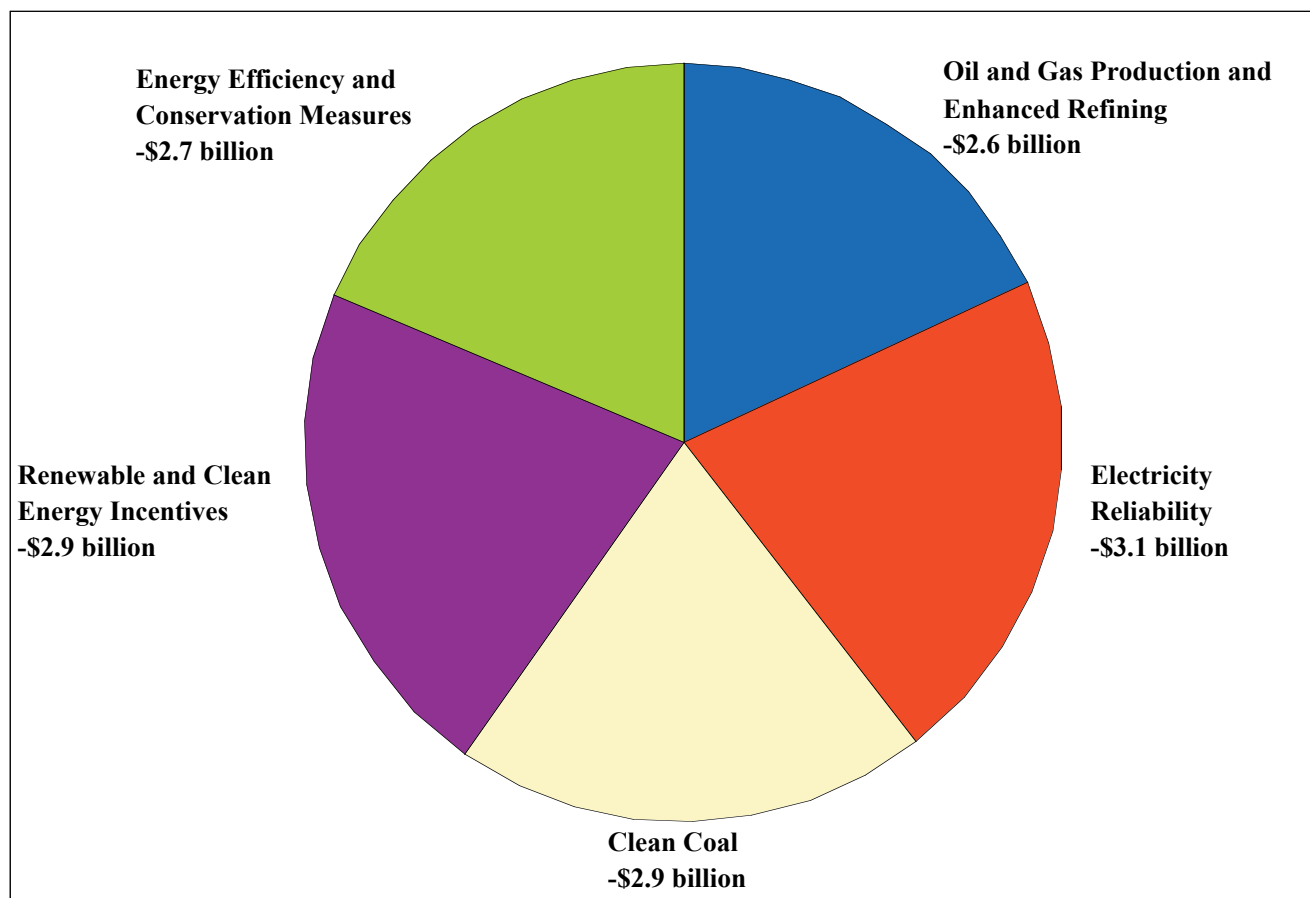
Senate Republicans are committed to innovative new technologies to develop America's energy resources that create jobs and reduce our dependence on foreign oil and gas while preserving the environment.

H.R. 6, Energy Tax Incentives Act of 2005 provides clean, affordable energy for a growing secure economy.

- Creates 234,840 new jobs in all sectors of the U.S. economy
- Increase U.S. household income by \$43 billion
- Adds \$200 billion to GDP between 2005-2012
- Reduces crude oil imports by 2 billion barrels and reduce the outflow of dollars largely to foreign oil producers by \$64 billion
- Creates \$6 billion in new investment in renewable fuel production facilities
- Efficiency and conservation tax credits encourage the construction of energy-efficient offices and homes, the purchase of energy efficient heating and cooling systems and appliances.
- Offers business and consumers tax credits for the purchase of alternative-fuel and hybrid vehicles. The value of the tax credit ranges from \$2,000 for smaller, personal cars to \$40,000 for the purchase of buses, etc. This conservation incentive alone totals \$874 million.
- The clean coal program will help protect vital jobs in America's coal states, creating 62,000 jobs.

Energy Tax Incentives in H.R. 6

Fiscal Years 2005 – 2015



Promoting Trade With Central America And The Dominican Republic

Promoting trade with Central America and the Dominican Republic will open up new markets for American goods by reducing hefty tariffs and leveling the playing field for American manufacturers and workers.

- **CAFTA Is Essential To The Stability Of America's Neighbors.** The young democracies of Central America still face forces opposed to democratic government and economic freedom, such as the leaders of Cuba and Venezuela. By supporting CAFTA, the United States can stand with those in the region who stand for democracy and freedom, who are fighting corruption and crime, and who believe in the rule of law.
- **CAFTA Will Level The Playing Field For American Workers, Farmers, And Ranchers.** Eighty percent of imports from Central America and the Dominican Republic, including 99 percent of agricultural imports, already enter the United States duty free. CAFTA will level the playing field by reducing hefty tariffs and burdensome regulations.
- **American Sales Will Grow By Billions.** CAFTA will allow the people of Central America and the Dominican Republic to buy even more from the United States across a broad range of agricultural, manufacturing, and service sectors. The U.S. Chamber of Commerce predicts U.S. sales to the region could expand by more than \$3 billion in the first year, and the American Farm Bureau estimates U.S. farm exports could grow by \$1.5 billion per year.
- **U.S. Manufacturers Also Stand To Gain.** CAFTA will instantly eliminate tariffs on 80 percent of U.S. manufactured goods, and the remainder of tariffs will be phased out within a few years. As a result, manufacturers and workers will benefit from increased sales of information technology; farm, construction, medical, and scientific equipment; paper products; and pharmaceuticals.
- **CAFTA Will Help The United States Compete.** America exports more to the six nations participating in CAFTA than to Russia, India, and Indonesia combined. By removing tariffs and other barriers, CAFTA makes trade between the United States and participating countries less expensive.

CAFTA Will Strengthen The Western Hemisphere And Allow Us To Better Compete In The Global Economy.

- **CAFTA Marks The Foundation Of A Lasting Partnership.** In Europe and Asia, many nations have organized to reduce the cost of doing business by consolidating their economies. CAFTA will help further integrate the western hemisphere so U.S. companies are in a better position to compete against foreign competitors in markets around the world.
- **CAFTA Will Strengthen The U.S. Textile Industry's Ability To Compete.** Most apparel manufactured in Central America and the Dominican Republic uses American materials. Everything from the fabric to the thread to the elastic is made by workers in the United States. According to a recent poll by the American Apparel and Footwear Association, without CAFTA, more than 53 percent of apparel investors in Central America say they will go elsewhere to buy these raw materials. CAFTA will keep these manufacturing jobs in our region.

Stopping Frivolous Lawsuits Now = Jobs

Republicans will end personal-injury lawyers' frivolous lawsuits to save jobs and ensure fair compensation for true victims.

Legal Reform Agenda: **Stopping Frivolous Lawsuits**



- ☒ Class action reform
- ☒ Bankruptcy reform
- ☐ Medical liability reform
- ☐ Asbestos litigation reform
- ☐ Protect charitable givers against lawsuits based on their donations
- ☐ Eliminate junk lawsuits against the firearm industry
- ☐ Enforce personal responsibility by ending junk lawsuits against the fast food industry by customers who complain that they are not eating healthfully
- ☐ Guarantee increased penalties for lawyers who file frivolous lawsuits
- ☐ Reform the nation's patent litigation system to enhance innovation in our science and technology communities
- ☐ Pledge of Allegiance Protection Act
- ☐ Multidistrict Legislation Reform

Economic Growth Continues - 146,000 Jobs Created In June

Recent News: Jobs Data Shows The President's Economic Policies Are Driving Steady Job Growth

Recently, The Government Released New Jobs Figures – 146,000 New Jobs Created In June. Payroll employment rose by 146,000 in June, and the economy has created over 3.7 million jobs since May 2003. We have seen steady job gains for each of the last 25 months – and more Americans are working than ever before.

- **The Unemployment Rate Fell To 5.0 Percent In June, The Lowest It Has Been Since September 2001.**

The Economy Is Strong And Continues To Grow

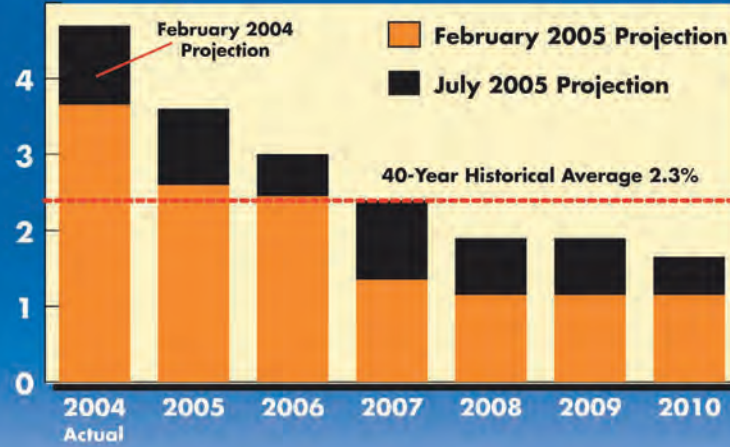
- **Economic Indicators Show Strong, Sustained Growth.** Both real GDP and real income were revised up for the first quarter, while inflation was revised down. The Commerce Department now estimates first quarter GDP growth at 3.8 percent, and also revised profits as a share of GDP upward to their highest levels since 1967.
- **Durable Goods Orders On The Rise.** New orders for durable goods increased 5.5 percent in May, the largest increase in 14 months and well above early estimates.
- **U.S. Manufacturing Continues To Expand.** For the 25th consecutive month, U.S. manufacturing expanded in June. The Purchasing Managers' Index (PMI) increased 2.4 index points to 53.8, indicating growth above market expectations.
- **The Non-Manufacturing Sector Shows Strong Growth.** The non-manufacturing sector experienced rapid growth in June, with the Institute for Supply Management business activity index rising several points to 62.2 and beating market expectations. Business activity has increased for 27 consecutive months.
- **Consumer Confidence Up.** The Conference Board Index of Consumer Confidence rose almost three points in June to its highest level in three years. Consumer spending accounts for roughly two-thirds of the U.S. economy.

The President's Second-Term Agenda To Create More Jobs And Grow The Economy

- **President Bush Has Put Forth An Ambitious Agenda To Ensure That America's Economy Remains The Strongest In The World.** To accomplish this, the President is working with Congress to pass legislation that promotes economic growth – including making his tax cuts permanent, restraining spending by the Federal government and cutting the Federal deficit, reducing unnecessary regulation, making our country less dependent on foreign sources of energy, strengthening retirement security, expanding trade, protecting small business owners and workers from frivolous lawsuits, and lowering the cost of health care for all Americans.
- **President Bush Believes The Growing U.S. Economy Requires Affordable, Reliable, And Secure Supplies Of Energy.** The President is pleased that both houses of Congress have passed energy bills, and urges them to send him a bill to sign by the August recess that will move our country toward less dependence on foreign sources of energy, a more reliable energy infrastructure, and greater use of technology in developing alternative and renewable energy sources.
- **Social Security Reform Is Needed To Keep Our Economy Strong.** Economists calculate that if we fail to reform Social Security, the government will have to raise Federal payroll taxes 50 percent across the board in order to pay promised benefits. President Bush has proposed a plan to address the funding problems facing Social Security and make the system a better deal for younger workers without increasing the payroll tax rate.
- **CAFTA Will Level The Playing Field For American Workers.** The U.S.–Dominican Republic–Central America Free Trade Agreement (CAFTA) will open up new markets for American goods by reducing hefty tariffs and leveling the playing field for American farmers, manufacturers, and workers. The U.S. Chamber of Commerce predicts sales to the region could expand by more than \$3 billion in the first year, and the American Farm Bureau estimates farm exports could grow by \$1.5 billion per year.

A Declining Budget Deficit

Percent of GDP



Source: Senate Republican Conference

Over 3.7 Million New Jobs in 25 Months

(Change in employment, in thousands)



Source: Bureau of Labor Statistics

Source: Joint Economic Committee

Unemployment Rate Below Previous Peaks and Declining

(Civilian unemployment rate)



Source: Bureau of Labor Statistics

Gray bars denote recessions

Source: Joint Economic Committee

State Employment Statistics – June 2005

Provided by the Joint Economic Committee (JEC) – <http://jec.senate.gov>

	<u>Change in Employment</u> <u>In June 2005*</u>	<u>Change in Employment</u> <u>June 2004 to June 2005*</u>	<u>Unemployment Rate</u>
Alabama	7,700	33,500	4.4%
Alaska	1,600	6,300	6.4%
Arizona	7,200	97,600	4.4%
Arkansas	3,600	13,500	4.8%
California	15,600	273,500	5.4%
Colorado	7,500	49,100	4.9%
Connecticut	1,000	22,200	5.1%
Delaware	(400)	8,800	4.1%
D.C.	1,000	9,500	7.5%
Florida	18,500	228,100	3.9%
Georgia	(7,900)	17,700	5.3%
Hawaii	600	14,500	2.7%
Idaho	3,800	24,300	3.9%
Illinois	6,700	50,900	6.0%
Indiana	9,200	43,300	5.1%
Iowa	5,700	19,600	4.6%
Kansas	700	18,100	5.2%
Kentucky	4,500	24,700	5.7%
Louisiana	1,500	14,400	5.4%
Maine	400	4,400	4.7%
Maryland	11,800	58,800	4.3%
Massachusetts	4,900	23,800	4.7%
Michigan	4,900	(13,700)	6.8%
Minnesota	10,700	34,600	3.7%
Mississippi	(600)	14,100	7.0%
Missouri	10,700	34,400	5.4%
Montana	2,500	7,600	4.4%
Nebraska	800	11,200	3.8%
Nevada	4,300	73,400	4.0%
New Hampshire	(1,900)	11,800	3.5%
New Jersey	3,400	52,900	4.0%
New Mexico	(2,300)	15,900	5.7%
New York	14,500	74,600	4.9%
North Carolina	11,200	73,200	5.3%
North Dakota	(1,100)	5,100	3.4%
Ohio	700	21,500	6.1%
Oklahoma	2,600	24,000	4.3%
Oregon	3,900	46,400	6.5%
Pennsylvania	6,500	61,900	5.0%
Rhode Island	700	6,600	4.8%
South Carolina	1,100	(13,700)	6.3%
South Dakota	100	7,100	3.8%
Tennessee	(100)	22,500	6.0%
Texas	12,700	115,500	5.1%
Utah	3,900	37,800	4.7%
Vermont	400	5,800	3.5%
Virginia	13,000	55,500	3.6%
Washington	7,600	57,200	5.5%
West Virginia	3,300	11,500	4.8%
Wisconsin	1,000	26,700	4.6%
Wyoming	100	6,200	3.7%

*Black indicates job gains and red indicates job losses.

Source: U.S. Department of Labor - <http://www.bls.gov/news.release/laus.toc.htm> (Accessed 7/22/2005)

Health Care



Creating a Healthy America by Expanding Access to Affordable, Quality Health Care

- ☐ **Medical Liability Reform** – Reduce health care costs by eliminating unnecessary litigation, encouraging the speedy resolution of patient injury claims, and creating a \$250,000 cap for non-economic damages.
- ☐ **Patient Safety and Quality Improvement** – Encourage a culture of safety and quality by providing legal protection of information reported voluntarily for the purposes of quality improvement and patient safety.
- ☐ **Electronic Health Records** – Improve quality and affordability by passing a health information technology bill.
- ☐ **Combatting Fraud and Abuse in Medicare and Medicaid** – Expand efforts to eliminate fraud and abuse in the Medicare and Medicaid programs to reduce the cost of care for patients.
- ☐ **Increasing Access for the Uninsured** – Reduce the number of uninsured individuals by improving access to coverage through tax credits and deductions for certain healthcare expenses.
- ☐ **Long-Term Care Insurance** – Reduce health care costs and ensure the future availability of quality care by encouraging consumers to purchase long-term care insurance.
- ☐ **Health Savings Accounts** – Increase access and lower the cost of care by encouraging consumers and employers to use Health Savings Accounts.
- ☐ **Flexible Spending Accounts** – Expand applicability of funds in Flexible Spending Accounts to maximize benefits to consumers.
- ☐ **State High-Risk Pools** – Extend seed grants to states for the purpose of creating state high-risk health insurance pools to provide coverage to individuals who cannot otherwise obtain insurance.
- ☐ **Community Health Centers** – Expand access to community health centers and rural health centers in an effort to improve the quality of life of uninsured persons living in medically underserved areas.



Health Care Recess Activity - Week of August 8

Deliver accessible, affordable and quality care for all Americans

"Republicans will ensure that patients have access to quality and more affordable health care while lowering the cost of health insurance, offering more choices for services and increasing coverage for the uninsured."

Possible Messages:

Republicans are working to:

- Reduce the increasing costs of health care
- Expand access to affordable health care coverage
- Improve health care and strengthen the health care safety net

Turnkey Event with Administration Official on the Medicare Rx Drug Benefit:

- The Center for Medicare & Medicaid Services has offered to arrange an event for a member to welcome seniors to their local pharmacy and have caseworkers help them apply for extra help with their prescription drug expenses before they choose a plan this fall. CMS can work with their pharmacy partners and local staff to make sure the event is a success.
- CMS can also help with newsletter articles, mailings, and other outreach efforts you participate in and they truly appreciate your support and involvement.

Activity on the Senate Republican Conference's Health Care Agenda & S.4, "The Healthy America Act of 2005":

- The Senate Republican Conference encourages members to talk to their constituents about Republican health care priorities through local meetings, newsletter articles, letters, and opinion editorials.
- The Conference's Health Care Agenda, and the Leadership's S.4 legislation, will build upon the Republican record of accomplishment on health care.
- The Republican Congress has created a Medicare drug benefit for seniors, made tax-free, portable Health Savings Accounts available to all Americans, and has begun the process of moving our medical system into the information age.
- There is more to be done, including:
 - Reforming our broken medical liability system,
 - Giving patients the ability to own and control privacy-protected electronic medical records,
 - Cutting down on fraud in our Medicare and Medicaid programs, and
 - Reducing medical errors, and unnecessary regulations and mandates.

Resources & Contacts:

James Scott, Senior Legislative Advisor, Office of Legislation, CMS
(202) 690-8258, jscott4@cms.hhs.gov

Niko Stemple, Director of Congressional Outreach, PhRMA
Partnership for Prescription Assistance, (202) 835-3436, www.pparx.org
(888) 4PPA-NOW

Event Ideas



Help Your Constituents Learn about Medicare Prescription Drug Coverage

The Medicare Rx Education Network urges all Americans who know someone on Medicare to help friends and family members understand Medicare's new prescription drug insurance. To provide constituents with the information they need to do this, we encourage members of Congress and their staff, non-profit organizations, and health and seniors' organizations to:

- **Ask us for resources:** We welcome the opportunity to provide you with literature, pamphlets and information booths.
- **Attend an event:** There are thousands of informational and enrollment events planned over the next few months in local communities. We encourage you to let your constituents know about events in your local area.
- **Work with us to organize a workshop:** Work with us to organize your next Medicare prescription drug coverage event. We work in strict compliance with congressional ethics regulations, and we make events educational, informative and fun. We are committed to helping your constituents learn about the Medicare prescription drug coverage.

The Medicare Rx Education Network, a network of **over 40 groups** representing patients, health care providers, employers, seniors and the disabled, is a network of nationally recognized groups that have come together to help would-be beneficiaries understand the value of the benefit and how to enroll. The Network includes groups such as: AARP, The National Association on the Aging, The National Association of Community Health Centers, The National Association of Chain Drug Stores and the Medicare Today Coalition.

Contact:

Medicare Rx Education Network

2550 M Street, NW

Washington, DC 20037

202-326-1816 phone

202-371-9214 fax

www.MedicareRxEducation.org

E-mail: info@medicarerxeducation.org

S.4 – Senate Republican Conference Health Care ‘To Do’ List Summary

Creating a Healthy America by Expanding Access to Affordable, High-Quality Health Care

Medical Liability Reform – Throughout the country, it is becoming increasingly difficult for patients to find doctors or hospitals to treat them. Misuse of our judicial system and medical liability laws is resulting in huge awards of non-economic damages for pain and suffering in medical malpractice suits. In turn, these huge awards are causing many insurers to increase many doctors’ insurance premiums. The dramatically rising costs of medical liability insurance for physicians and other health care providers is, in some cases, making it too expensive for them to continue to offer care, thus compromising patients’ access to high-quality, affordable health care. Congress must help reduce the amount of unnecessary litigation, ensure speedy resolution of patient injury claims, and limit the non-economic damages awarded in malpractice suits in order to preserve affordable, quality care for patients.

Patient Safety and Quality Improvement – In 1999, the Institute of Medicine (IOM) reported that preventable medical errors cause as many as 98,000 deaths each year and suggested that improving patient safety should be a national priority. IOM recommended that a national mandatory reporting system be created so that health care providers could be held accountable for the errors they make. In addition, IOM recommended that there be a confidential system for the voluntary reporting of errors that do not result in harm, so that such errors could be studied and health care delivery systems improved based on the lessons learned. Congress must assist in the creation and implementation of this voluntary system so that preventable medical errors can be identified and actions can be taken to ensure that they do not continue to occur. Without these confidentiality protections, providers may not voluntarily report errors. Such reporting is critical to efforts to ensure patient safety and improve the quality of patient care.

Electronic Health Records – Health care costs constitute a large and ever-growing portion of the American economy; however medical errors and inefficiencies in our system of health care delivery add unnecessarily to Americans’ health care costs and endanger patient safety. Passage of a comprehensive health information technology bill will assist health care providers in reducing the number of medical errors and eliminating duplication of services and billing, thus curing many of the inefficiencies in our current health care system. By making health care more efficient, Congress can both reduce health care costs and improve the quality of patient care.

Combating Fraud and Abuse in Medicare and Medicaid – Congress has long been concerned with identifying and reducing improper payments made to patients and health care providers under Medicare and Medicaid. Most providers act in good faith when they submit claims to Medicare and Medicaid, but improper payments, obtained through fraudulent activity or misuse of program funds, reduce the amount of money available for the care beneficiaries. By targeting fraudulent or otherwise inappropriate activity, Congress can ensure that a greater amount of the money intended for beneficiaries is actually used to provide them with quality care.

Increasing Access for the Uninsured – Each year, over 40 million Americans find themselves without health insurance for at least a short period of time, with nearly half of those individuals being uninsured for a year or more. Caring for the uninsured increases health care costs for everyone, since many providers are never paid for care they provide to uninsured individuals. Congress can reduce the number of uninsured by changing the way the insurance market operates. By reducing the cost of insurance and creating more insurance options, Congress can ensure that more Americans receive the care they need and that health care costs are reduced for everyone.

Long-Term Care Insurance – After an accident, or in the event of a debilitating disease, many individuals find themselves in need of assistance in performing everyday tasks like bathing and eating. However, most health insurance plans do not provide coverage for the extraordinary costs of this type of long-term care, and most people quickly exhaust their own savings to cover the costs. Congress can make the purchase of long-term care insurance more affordable and encourage Americans to prepare for their futures, ensuring that they will have available to them the care that they need.

Health Savings Accounts – Health Savings Accounts (HSAs) are accounts into which individuals and their employers can make tax-free contributions to be used to cover IRS-approved health care expenses. The money in these accounts can be carried over from year to year, and individuals can choose the care that best meets their needs, allowing them greater control of their health care expenses. Distributions from the accounts remain tax-free as long as the money is used for qualified medical expenses, including prescriptions and over-the-counter drugs, long-term care services, and the purchase of health care coverage under COBRA plans. Congress should expand the availability of HSAs and encourage continued participation by consumers to help reduce health care expenditures.

Flexible Spending Accounts – Flexible Spending Accounts (FSAs) are accounts into which individuals can contribute a portion of their salaries tax-free in order to cover IRS-approved health care or dependent care expenses. The funds in the account must be used within a specified period or they are forfeited. Congress should add increased flexibility to FSAs and continue to encourage Americans to contribute tax-free money to help defray their health care costs.

State High-Risk Pools – Congress should extend seed grants to states for the purpose of creating state high-risk pools. These pools provide health care coverage to individuals who cannot otherwise obtain insurance. The high-risk pool programs operate in much the same way as traditional health insurance programs in that beneficiaries must pay premiums, co-payments, and deductibles, and individuals may make use of the high-risk pools for only a short time, until they are able to obtain another form of insurance. By expanding the availability of these high-risk pools, Congress can help reduce the number of Americans without health care coverage.

Community Health Centers – Community health centers are non-profit health care facilities owned by members of the community in which they are located. These health centers provide a wide range of services to low-income and medically underserved communities, regardless of patients' ability to pay. By expanding community health centers, Congress can ensure that many more uninsured or underinsured individuals can receive the medical care that they need.

S. 4, The Healthy America Act of 2005

Summary

Health care costs are high, and have been increasing rapidly in recent years. As a result, the number of Americans without health insurance is climbing; about 45 million Americans lack health insurance coverage at any point in time, roughly half of whom are uninsured for an entire year. Rising costs also are increasing the risk that those who have insurance coverage might lose it.

The “Healthy America Act of 2005” includes a number of measures to slow the growth of health care costs, expand health insurance coverage, and improve access to quality health care for millions of Americans.

President Bush and the Republican Congress have taken a number of steps to make health care more accessible, more affordable, more efficient, and more patient-centered. These include making tax-free, portable Health Savings Accounts available to all Americans; reducing prescription drug costs by increasing access to more affordable generic drugs; providing seniors access for the first time to affordable prescription drug coverage in the Medicare program; increasing transparency and price competition in Medicare; expanding neighborhood community health centers to serve millions more needy Americans; devoting significant new resources to rural and safety net health care providers; and protecting children’s access to health care.

S. 4 builds on these accomplishments. It incorporates many of President Bush’s health care reform proposals, as well as the proposals set forth during the 108th Congress by the United States Senate Republican Task Force on Health Care Costs and the Uninsured. These include measures to: empower consumers and patients; expand health care choices; improve patient safety and quality; reform the medical liability system; curtail waste, fraud, and abuse in federal health care programs; reduce regulatory burdens and costly red-tape; make prescription drugs more affordable; foster the widespread use of individually-owned, privacy-protected electronic health records; provide lower-income Americans with increased financial assistance to make health insurance and long-term care more affordable; expand affordable, portable, tax-free Health Savings Accounts; improve enrollment in public safety net health care programs; increase the number of neighborhood community health centers; and strengthen primary and preventive care networks in underserved communities.

Description of Major Provisions

Purpose. The purpose of this Act is to slow the growth in health care costs, expand health insurance and health care to millions of Americans without coverage, and improve access to affordable, quality health care.

Section 1. Short Title. The “Healthy America Act of 2005”

Section 2. Findings.

Health care costs are growing rapidly, putting health insurance and needed care out of reach for too many Americans.

Rapidly rising health costs pose a threat to U.S. economy. They are harming the competitiveness of American businesses to compete in a global economy and making it more difficult to create new jobs.

Growing health care costs are also compromising the stability of health care safety net and entitlement programs.

There are a series of steps Congress can take to help slow the growth of health costs, expand access to health coverage, and improve access to quality health care for millions of Americans.

Title I. Making Health Care More Affordable.

This title contains reforms to improve the efficiency of health care, reduce unnecessary paperwork and red tape, and make health care more affordable, including:

- Reforming the medical liability system to ensure fair and rapid compensation to injured patients, reduce frivolous lawsuits, and limit excessive damage awards;
- Promoting the rapid adoption and widespread use of individually owned, privacy-protected electronic health records by fostering the development of standards through a public-private collaboration to enable the rapid and safe exchange of electronic patient information, reducing legal and financial barriers to the use of cost-saving technology, ensuring a coordinated federal effort to promote health information technology, and linking information technology to broader quality improvement efforts across federal programs through value-based purchasing programs and through other mechanisms;
- Improving patient safety and reducing medical errors by creating a voluntary error reporting system for health care providers, allowing providers to learn from mistakes and improve patient outcomes without the fear of additional litigation;
- Reducing waste, fraud, and abuse in public health programs by authorizing additional funding and expanding the Medicare-Medicaid Data Match Pilot Program;
- Including Sense of the Senate language urging the creation of a Mandate Review Commission to cut down on unnecessary or duplicative regulations that inappropriately increase health care costs; and
- Enhancing subrogation recovery rights for employment-based health plans.

Title II. Expanding Access to Affordable Health Coverage through Tax Incentives and Other Initiatives

This title includes reforms to expand affordable health insurance coverage to millions of Americans, including the following:

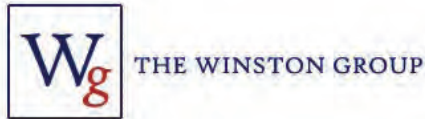
- Making health insurance coverage more affordable for lower income Americans by providing a tax credit to offset the cost of private health insurance premiums for those who do not qualify for employer-provided health coverage;
- Expanding the availability of Health Savings Accounts (HSAs) by providing an above-the-line tax deduction for the purchase of high-deductible health plans and a refundable credit for contributions to HSAs that are made by small employers;
- Improving the Health Coverage Tax Credit enacted as part of the 2002 Trade Adjustment Assistance Act by making a number of needed clarifications and providing greater protections to consumers;
- Including a statement that it is the Sense of the Senate that steps should be taken to make long-term care more affordable by providing tax incentives for the purchase of long-term care insurance, increasing support for family caregivers, and making necessary public program reforms;
- Allowing individuals to carry over without tax consequences up to \$500 each year in cafeteria plans and other flexible spending arrangements;

- Expanding health coverage options for low income entrepreneurs and self-employed individuals by allowing those starting a business to cover the costs of health insurance as businesses expenses under the Assets for Independence Act;
- Requiring the Government Accountability Office to evaluate the availability of existing and potential sources of affordable health insurance coverage available to graduate and undergraduate college and university students;
- Providing additional support for state high-risk pools that often provide an affordable source of health coverage to individuals with pre-existing health conditions and others who may have difficulty finding health coverage in the individual health insurance market;
- Expressing the Sense of the Senate that Congress should enact legislation expanding more affordable health coverage options and group purchasing arrangements for individuals, particularly those who work for small businesses; and
- Providing grants to states, schools, faith-based organizations, and other entities to encourage innovative community-based approaches to enrolling lower income children who are eligible, but not enrolled, in public health programs.

Title III. Improving Care and Strengthening the Safety Net

This title contains provisions to expand health care access for needy Americans and expand and improve vital health care safety net programs, including:

- Expanding primary and preventive health care services through Community Health Centers (CHCs) and Rural Health Clinics (RHCs) in high-need areas;
- Improving care coordination and access to primary care, specialty care, and hospital services by providing funding for integrated provider systems that offer needed health services to underserved populations;
- Helping individuals living in rural areas to obtain free or reduced cost care through Rural Health Clinics by making it easier for RHCs and CHCs to coordinate care and share services;
- Making prescription drugs more affordable and available to individuals who rely on the Section 340B health care safety net program, while establishing stronger oversight and enforcement of federal drug discount pricing programs;
- Providing student loan forbearance for physicians and other providers who provide volunteer health care services in free clinics;
- Encouraging more doctors and other health professionals to serve safety net communities by expanding Federal Tort Claims Act (FTCA) liability protection for individuals providing safety net coverage; and
- Including a statement that it is the Sense of the Senate that additional measures are needed to reduce or eliminate disparities in health care related to race, ethnicity, socioeconomic status, and geography that affect access to quality health care.



MEMORANDUM

To: Interested Parties
From: The Winston Group
Date: July 26, 2005
Subject: Medicare Prescription Drug Coverage Communications

Background

Below are key findings from a public opinion survey that sought to better understand the public's attitudes and opinions towards the new prescription drug coverage offered through Medicare. It was conducted by The Winston Group and funded by Pfizer, Inc. The study interviewed 1200 registered voters and was conducted June 19-21, 2005.

Benefit Awareness and Comprehension: Beneficiary Education is Critical

- There is a moderate level of awareness of the prescription drug benefit, with 53% of the public having seen, read or heard something about the new program. Among seniors, awareness is slightly higher at 63%. However, understanding of the benefit is much lower, with only 35% of respondents believing they understand the new benefit either very or somewhat well. With regards to seniors' comprehension, it stands at 41%.
- Additionally, respondents are uncertain that the benefit will effectively increase access to prescription drugs. When asked whether seniors' access to prescription drugs will be better or worse than before the benefit, 38% responded better, 10% said worse and 37% answered no change/same as before.
- Given this environment, further education about the benefit is critical. At the same time, because the benefit is still largely undefined, this presents a communications opportunity for positive messaging about the benefit.

Message Environment: Coverage Provides Peace of Mind

- The missing link between the drug benefit and public understanding is the concept of personal relevance. People tend to view the benefit as helpful to others, such as low-income seniors and those with high drug costs, but not necessarily helping them personally. (50-39 helpful-not helpful to you personally)
- Voters are more responsive to value-based messaging than messages about the attributes of the program. Thus values should drive the tone of any communications effort about the benefit.

- In terms of values related to prescription drugs, the most important values are security and quality of life. While choice is important, it was not viewed as important as other values.
 - Rated on a scale of 1-10 with 10 being the most important prescription drug value, “security and peace of mind of knowing that prescription drugs will be there when I and my family need it” received 8.80 among voters overall.
 - “Being able to have a better quality of life by getting the prescription drugs I need” was the second highest rated value among voters overall, receiving an 8.75.
 - Among seniors, being able to have a better quality of life was the highest rated value (8.45), with “security/peace of mind” and “helping poor seniors get the medicines they need” both followed with a close second at 8.34.
- A variety of messages about the attributes of the drug benefit were tested. The messages that were most positively received reflected the top value of security.
 - Among voters overall, the message that was viewed as the most helpful to Medicare recipients is as follows: “Seniors who don’t have prescription drug coverage can now be covered through Medicare. It is open to all people with Medicare and there is extra help for those with lower incomes and resources”. This message was rated at 7.81 on a scale of 1-10.
 - Among seniors, the most effective message was “if your current drug coverage is at least as good as Medicare, you can keep what you have.” This message received a 7.53 on a scale of 1-10.
 - While these were the top rated messages about the benefit’s attributes, the values of security and quality of life were rated higher than even the most important messages. In sum, messages about the Medicare benefit should be driven by value-based communications, emphasizing security and quality of life.

Below is a breakdown of value statements and messages that best established the relevance of the Medicare prescription drug coverage to the general public and senior population.

Most Compelling Value Statements		Overall	Seniors
Security and peace of mind of knowing that prescription drugs will be there when I and my family need it.		8.80	8.34
Being able to have a better quality of life by getting the prescription drugs I need.		8.75	8.45
Helping poor seniors get the medicines they need.		8.72	8.34
Knowing that all seniors will have better access to prescription drugs.		8.53	8.25
Being able to make choices on how I can get prescription drugs.		8.33	8.29

Most Relevant Messages		Overall	Seniors
Seniors who don't have prescription drug coverage can now be covered through Medicare. It is open to all people with Medicare and there is extra help for those with lower incomes and resources		7.81	7.21
Medicare drug benefits offer choice and flexibility. Everyone on Medicare will be able to choose brand name drugs or generic drugs and will be able to pick them up at local pharmacies or receive them through the mail.		7.57	7.26
If you have a low income, you may qualify for a plan with no premiums, no deductibles, steeply discounted co-pays and no coverage gaps.		7.53	7.13
If your current drug coverage is at least as good as Medicare, you can keep what you have.		7.43	7.53
It is easy to get more information about the Medicare drug benefit. You can get help making the choice that is right for you by calling 1-800-MEDICARE or by visiting www.medicare.gov on the web.		7.43	7.10

Methodology

Conducted June 19-21, 2005

N = 800 registered voters + 400 registered voters aged 65+

Margin of Error: +/- 2.3

Winston Group Contact Information

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Social Security



Save and Strengthen Social Security

“Republicans will save and strengthen Social Security by protecting promised benefits for today’s seniors and those nearing retirement while offering younger workers increased financial security through a voluntary personal retirement account — a nest egg they can call their own and pass on to their children.”

Possible Messages:

- Senate Republicans are committed to passing a bipartisan Social Security reform bill this Congress.
- Senate Republicans think the problem facing Social Security is too important for partisan politics.
- Senate Republicans call on Democrats to face the facts and come to the table on reform.

1. Rally or Meeting with Local Chapter of Students for Saving Social Security

- Students for Saving Social Security boast about 180 chapters in 40 states across the country. SSSS supports personal retirement accounts and is against raising the payroll tax rate. Chapters will co-host a rally, a meeting to discuss the importance of strengthening Social Security or a press conference. For information on individual chapters in your district, please email Shawn McCoy at Shawn@SecureOurFuture.org or call 202-527-0783.

2. Celebrate the 70th Anniversary of the Creation of Social Security **August 14, 1935** **Week of Monday, August 8 – Saturday, August 13**

- Commemorate at a local Social Security Administration office, senior center or with Students for Saving Social Security and highlight need to strengthen Social Security with personal retirement accounts.
- Submit an Op-Ed to local papers on the 70th anniversary discussing the importance of strengthening Social Security. **(DRAFT Op-Ed Attached)**

3. Highlight 5th Anniversary of Democratic Leadership Council’s Hyde Park Declaration With Local Media

- Aug. 1, 2005 is the 5th Anniversary of the Democratic Leadership Council’s “Hyde Park Declaration” and its Social Security principles.
- More than 70 elected-Democrats supported Social Security reform, including “ensuring the future solvency of Social Security”, making “structural reforms”, and the creating “personal investment accounts”. Please see attached “Hyde Park” document.
- Opportunity to highlight the need for bipartisan support to strengthen Social Security. **(Background information and DRAFT Op-Ed And Letter Attached)**
- Link to the DLC’s Hyde Park Declaration: http://www.ndol.org/ndol_ci.cfm?kaid=128&subid=174&contentid=1926

4. Social Security Administration Regional Commissioners

- Invite Social Security Administration Regional Commissioners to provide an explanation of the challenges facing Social Security’s solvency and an overview of the proposals to strengthen it.
- For scheduling, please contact Bob Wilson, Deputy Commissioner for Legislation and Congressional Affairs at 202-358-6030.

5. For Information on the President’s Proposals to Strengthen Social Security:

Visit the United States Department of the Treasury’s Social Security Information Center website at www.StrengtheningSocialSecurity.gov or call 202-622-5850.

DRAFT Op-Ed on 70th Anniversary of Social Security

August 14 marks the 70th anniversary of the creation of Social Security, one of the great successes of 20th century American government. With everything else going on today – from the Supreme Court nomination to the war on terror – we must still remember the importance of fixing Social Security for our children and grandchildren.

Since President Roosevelt founded the program in 1935, Social Security has reduced poverty among the elderly and provided retirement security to millions of American families. President Bush is committed to strengthening and modernizing it for the 21st century. Since outlining his plans in the State of the Union, the President has spent much time and energy highlighting the problems facing the system. Most Americans, regardless of their political leanings, realize that Social Security needs to be fixed – and sooner rather than later. Each year we delay, the looming demographic problem becomes larger and more expensive to address.

In 1950 there were 16 workers paying into Social Security for each retiree drawing benefits. Today there are only around three workers supporting each retiree, and in a few short decades it will be only two. The Social Security Administration projects that in 2017 the program will begin to pay out more in benefits than it receives in taxes. By 2041 the program will be bankrupt, and only a massive 26-percent benefit cut or a 35-percent tax hike will be able to cover the shortfall.

Some say that only minor repairs are needed, but band-aid solutions have been tried before and they have failed. Payroll taxes have been increased 20 times since the program's birth and have never provided a long-term solution.

President Bush has proposed steps toward a comprehensive and permanent solution. One of the principles guiding his proposals is that today's seniors will get the full benefits they have been promised. Don't be scared by false advertising. Any changes to the system will not affect *anyone* born before 1950.

The President has embraced an idea called progressive benefit growth to address Social Security's problems. This allows *all* future retirees to receive larger benefit checks than similar retirees receive today, even after inflation. However, these benefits would grow at a rate which the government can afford. Lower- and middle-income workers would receive the largest growth in benefits, while those earning the most would see their benefits grow more slowly. This would go a long way toward solving Social Security's funding problem and closing the hole in the safety net.

We must also modernize Social Security to meet the demands and realities of today's world. Social Security is currently running surpluses – more money comes in from payroll taxes than is paid out to current retirees. Unfortunately, this surplus money is not saved; Congress spends it on programs unrelated to Social Security. Voluntary personal accounts investing part of a worker's payroll taxes would stop the government from raiding the trust fund and save Social Security money for the future.

These optional personal accounts would give working Americans the opportunity to build a secure nest-egg of retirement savings that they own. For millions of Americans who never before had the opportunity to save or invest, this would be a great financial milestone on the road to a secure retirement. The option to save a portion of one's Social Security taxes in a conservative mix of bonds and stocks would build real savings that could be relied upon in retirement – assets that could be passed on to loved ones, unlike today's Social Security benefits.

Social Security's 70th anniversary reminds us not only of how far we have come, but also that we have the opportunity and obligation to strengthen the system for our children and grandchildren. When your Members of Congress return to Washington in September they will be again confronted with this issue. Refusing to offer solutions is not an option. Social Security is too important not to act. The future of our children and grandchildren depends on it.



STRENGTHEN SOCIAL SECURITY: WHAT THEY'RE SAYING

President Bush – Fix Social Security Now: “Now is the time to act on this. And I understand some in Washington don’t want to deal with the issue. It’s too politically sensitive. Well, that’s fine for someone to think that way, but, in my judgment, when it costs \$600 billion a year every year you wait in order to fix the system — ultimately fix it, there’s nothing too sensitive.” (President Bush, Remarks By The President On Senior Security, 7/22/05)

Treasury Secretary John Snow – Strengthening Social Security Gaining Momentum: “As I go around the country and talk to people, and they understand that those Social Security surpluses aren’t going to Social Security, they’re being spent on everything else and when you tell the American people that the personal accounts will lock away those surpluses, they’ll make sure they stay in Social Security, you always get a strong, strong positive reaction to that. People are mad about the fact that their Social Security monies are being used for all sorts of other purposes. They want to see those monies locked away. I think this proposal... to lock that money away, take those surpluses and put them in personal accounts, I think that’s a winner. And I think that’s going to have broad-based support.” (Secretary John Snow, Interview With Lanigan And Malone, *WMJI-FM - Detroit*, 7/22/05)

Former CEA Chairman Martin Feldstein – Congress Begins Work On Long-Term Reform: “A recent proposal by House and Senate Republicans marks the start of the legislative process to implement President Bush’s approach to Social Security reform. The fundamental principle is to supplement traditional pay-as-you-go Social Security with investment-based personal retirement accounts. Although the new congressional plan is not a complete solution to long-run problems, it’s an excellent starting point. By using the Social Security surpluses that are projected between now and 2017, it lays the foundation for personal retirement accounts without diverting the payroll tax needed to fund current benefits.” (Martin Feldstein, “Saving Social Security,” *The Wall Street Journal*, 7/15/05)

Retirement Analyst Calls For Social Security To Be Fixed Once And For All: “We need a system that reflects today’s society, while addressing the needs of tomorrow’s workers. We need a system that provides choice, control and security in retirement, the current system cannot provide today’s workers. We need a system that actually saves and invests money for the future, rather than spending every cent the minute it comes in... As I see it, in 20 years when our children are running the show, I want them to be able to say: Our great-grandparents created a pay-as-you-go Social Security system. Our grandparents did nothing and threatened our financial future. But our parents recognized the problem and fixed it once and for all.” (Matt Moore, “A Generation’s Challenge,” *The Washington Times*, 7/18/05)

U.S. Rep. Allen Boyd (D-FL) Commends President Bush’s Commitment to Strengthen Social Security: “Any plan that does not address the long term solvency of Social Security is overlooking the reason we are reforming Social Security in the first place. Congressman Kolbe and I have introduced legislation to fix the inherent fiscal problems with the Social Security program, and I commend the president for his similar commitment.” (“Kolbe, Boyd, Praise White House For Saying Solvency Remains Priority”, *Pension and Benefits Daily*, July 20, 2005)

Council of Economic Advisors Chairman Bernanke – Restore Solvency and Create Personal Accounts: “Ben S. Bernanke, the new chairman of Bush’s Council of Economic Advisers, told reporters the president ‘will insist on maintaining the long-term solvency of the Social Security system, so that it can continue to provide benefits to retirees in the future. ... The president is committed to two elements,’ Bernanke said. “One is restoring the solvency of the Social Security system, and the second is creating personal retirement accounts for individuals. The legislative process is a long and complicated one, and we will be working with Congress to see what comes out, but we would want to see both of those elements in a final program.” (Jonathan Weisman, “Aide Says Bush Wants Solvent Social Security,” *The Washington Post*, 7/19/05)



July 15, 2005

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Senator Rick Santorum, Senate Republican Conference
511 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Santorum:

Knowing of your interest in the Social Security reform debate, we are writing to inform you that we at *For Our Grandchildren* are available to assist you at meetings or events for the August recess.

For Our Grandchildren – A Social Security Education Project is a non-profit organization whose purpose is to raise the awareness and understanding of all Americans regarding the urgent need for Social Security reform and the various options under consideration. The Project is dedicated to responsible reform of Social Security, which is only possible if the American people fully understand what is at stake and the impact of various reform options on their families.

Speakers include:

Tim Penny, Chairman of the *For Our Grandchildren* National Advisory Board, Former Minnesota Congressman Tim Penny served as a Commissioner on the President's Commission to Strengthen Social Security.

Charles W. Stenholm, Former Congressman Charles W. Stenholm serves as a spokesman and advisor for *For Our Grandchildren*. A 26-year veteran of Capitol Hill, Stenholm was the only Democratic member of the House of Representatives to draft and sponsor Social Security reform legislation. Speaking several years ago about the obligation he had to his own grandchildren to address the Social Security retirement system's financial shortfalls, Stenholm's remarks became the basis for "For Our Grandchildren."

Leanne Abdnor, President, was a member of the President's Commission to Strengthen Social Security, founder of the Alliance for Worker Retirement Security (a Washington, D.C. coalition for Social Security reform), and is the founder of Women for a Social Security Choice.

James Hamilton, National Director, possesses extensive experience in Social Security outreach and coalition building, which includes work at the Heritage Foundation and Economic Security 2000. He also served as legislative assistant to Charles W. Stenholm (D-TX) and helped staff the House Public Pension Reform Caucus.

War On Terror



American Security is dependent on combating terrorism, promoting democracy worldwide and supporting a well-trained and well-equipped military and their families.

Senate Republicans are working to pass the FY06 National Defense Authorization bill to provide our men and women in uniform with the resources, training, technology, equipment, and authorities they need to win the global war on terrorism; and continue the commitment to improve the quality of life for those who serve and their families.

- Provide our men and women in uniform with the resources, training, technology, equipment, and authorities they need to win the global war on terrorism, with particular focus on supporting ongoing operations in Iraq and Afghanistan.
- Enhance the ability of the Department of Defense to fulfill its homeland defense responsibilities by providing the resources, authorities, and equipment necessary for the Department to assist in protecting our nation against all current and anticipated forms of attack.
- Provide the resources and authorities needed to rapidly acquire the full range of force protection capabilities for deployed forces.
- Continue the committee's commitment to improve the quality of life for those who serve ---- active, reserve, National Guard, and retired --- and their families; enhance incentives to recruit and retain those who volunteer to serve in the Armed Forces; provide the best possible care and rehabilitation services for those who bear the wounds of combat; and ensure generous support for the survivors of those military personnel killed in the defense of our Nation.
- Sustain the readiness of our Armed Forces to conduct military operations against all current and anticipated threats.
- Support the Department's efforts to develop the innovative, forward-looking capabilities necessary to modernize and transform the Armed Forces to successfully counter current and future threats, particularly by enhancing our technology in areas such as unmanned systems, personnel protection systems, and measures to counter improvised explosive devices (IEDs).
- Continue active committee oversight of Department programs and operations, particularly in the areas of acquisition reform and contract management, to ensure proper stewardship of taxpayers' dollars.

Securing Our Nation by Strengthening Our Borders and Combating Weapons of Mass Destruction

The war on terror continues to threaten innocent people across the globe, as witnessed in last week's London subway bombings. We must work to pass legislation that secures our borders and addresses the threat of weapons of mass destruction to protect the American people.

The United States Needs to Increase Control of Its Borders.

- The U.S. shares 5,525 miles of border with Canada and 1,989 miles of border with Mexico in addition to 95,000 of shoreline.
- More than 500 million people cross our borders every year; nearly 330 million are not U.S. citizens.
- 16 million cargo containers enter the U.S. annually.

A Multi-Pronged Strategy is Necessary:

- Increase the number of border control agents and personnel to enforce our nation's immigration laws.
- Ensure adequate training capacity to significantly increase numbers of law enforcement personnel.
- Provide necessary infrastructure and technology to assist agents.

The FY06 Senate Homeland Security Appropriations Bill provides unprecedented funding and significant increases for a variety of programs to ensure border protection for those who wish to enter illegally and for those who wish to enter the country for illicit purposes.

- \$31.86 billion for Department of Homeland Security operations and programs, an increase of \$1.4 billion from FY05 level.
- \$9.8 billion for border protection and immigration enforcement, providing for additional border patrol, enforcement and investigative operations and programs.
- \$1.409 billion in operations and infrastructure, and research and development to mitigate the effects of weapons of mass destruction.

Senate Republicans are Working to Secure our Nation through Legislation that Combats Terrorism and Promotes Democracy Worldwide

FY06 Department of State, Foreign Operations, and Related Programs Appropriations Bill

- Total Funding: \$31.8 billion
 - Robust funding of programs to combat international terrorism and narcotics, including \$440 million for the Nonproliferation, Anti-Terrorism, Demining and Related Programs (NADR) account, \$734 million for the Andean Counterdrug Initiative, and \$196 million for Peacekeeping Operations.
 - \$524 million for International Narcotics Control and Law Enforcement, \$198 million above the FY05 level.
 - \$1.5 billion for embassy security, construction, and maintenance.
 - \$89 million for National Endowment for Democracy (NED), \$21 million above the FY05 level.

Resources for how to support our troops and help Americans prepare for emergencies over the August Recess

“America Supports You,” a nationwide program launched by the Department of Defense, recognizes citizens’ support for our military men and women and communicate that support to members of our Armed Forces at home and abroad.

- **Support our troops in a number of ways by visiting <http://www.americasupportsyoudm.mil> including,**
 - Sending e-mails, letters or video greeting;
 - Donating computers, frequent-flyer miles, phone cards, care packages;
 - Supporting scholarships for children in military families

➤ **National Preparedness Month is a coordinated, nationwide effort held each September to encourage Americans to take simple steps to prepare for emergencies in their homes, businesses, and schools. Co-sponsored by the U.S. Department of Homeland Security and the American Red Cross, the 2005 initiative will be co-chaired in the Senate by Senators Susan Collins (R-ME) and Joseph Lieberman (D-CT).**

Here are some ways to support this initiative in communities in the month of September or during the August Congressional recess:

- **Host activities in your community**
 - Host a town hall meeting on preparedness. Invite your local Red Cross Chapter to discuss preparedness tips;
 - Promote blood drives;
 - Encourage people to get trained by attending CPR/AED, first aid, or preparedness training;
 - Organize an “Emergency Kit Making” and “Communication Plan Making” event with your local American Red Cross Chapter or Citizen Corps Council.
- **Distribute emergency preparedness information in your community**
 - Add a link to www.ready.gov or www.redcross.org to your office website;
 - Send e-mails to your constituents encouraging them to learn about their community’s emergency plans and to participate in training activities.
 - Download and customize *Ready* emergency preparedness brochures, available at www.ready.gov, to include your photo or office information. Distribute the brochures through constituent mailings or at public appearances.
 - Place Red Cross “Together We Prepare” brochures in your Washington and District Offices which lists steps constituents can take to prepare for disasters.
 - Including emergency preparedness information in constituent newsletters.
- **Write opinion editorials about preparedness in your local newspapers.**
- **Discuss National Preparedness Month and emergency preparedness during regularly scheduled local radio and cable television shows.**
- **Work Together—host joint events during National Preparedness Month**
 - National Preparedness Month Coalition Members for each state - www.ready.gov
 - Local Red Cross chapter - www.redcross.org
 - Local Citizen Corps Council - www.citizencorps.gov

Education



Education Recess Activity - Week of August 29

Lifelong learning for better jobs

“Republicans will develop a lifelong approach to education, training and research that prepares all Americans for jobs of the future, promotes access to college and ensures accountability of federal dollars.”

Possible Messages:

An educated workforce is the foundation of a strong economy.

- Stronger accountability for results
- More choices for parents
- More freedom for states
- Proven educational methods

Turnkey Event with Administration Official:

The Department would like to offer opportunities for members to highlight the positive achievements of America's schools. Possible activities include:

- Delivering a “Teaching American History” grant with department officials to grantees,
- Visiting a school that is doing well or making progress with a high-ranking education official,
- Participating in the “Reach Out and Read” program, <http://www.reachoutandread.org>, by visiting a health clinic or pediatric care clinic.
 - “Reach Out and Read” trains doctors and nurses to advise parents about the importance of reading aloud and to give books to children at pediatric check-ups from six months to five years of age, with a special focus on children growing up in poverty.
- Members will also have the opportunity to talk about the fact that No Child Left Behind is working, and it's working for all kids across America, according to data in the most recent “Nation's Report Card” that was released on July 14, 2005.
 - The report shows that in the last five years, our nation's kids – and minority students in particular – have made some of the greatest gains in the report's history. In fact, more than half of the progress in reading seen in the Report Card's 30-plus year history was made in the last five years.

Resources & Contacts:

Marc DeCoursey, Chief of Staff, U.S. Department of Education,
Office of Legislation & Congressional Affairs, (202) 401-0020, marc.decourcey@ed.gov

Nation's Report Card Shows Higher Student Achievement, Narrower Achievement Gap After No Child Left Behind

New results from the National Assessment of Educational Progress (NAEP), commonly referred to as the "Nation's Report Card," show that **the achievement gap among younger students has shrunk to its smallest size in history.**

Background on Long-Term NAEP: In 2004, a representative national sample of approximately 14,000 public- and private-school students at ages 9, 13 and 17 participated in the NAEP Long-Term Trends in Academic Progress assessments in reading and math. The content of these periodic assessments has remained largely unchanged since the assessments were first administered in the early 1970s, allowing students' progress to be measured over time.

Results of 2004 NAEP Long-Term Trends Assessments:

- Student achievement is up overall within the past three decades, **with the biggest gains over the last five years.**
- **Over the last five years,** achievement gains among younger minority students outpaced gains made by White students.
- For 9-year-olds, average reading and math scores for White, Black and Hispanic students are at the highest level in more than 30 years, and **half of the progress in reading has been made in the last five years.**
- **In the last five years alone:**
 - 9-year-old White students gained 5 points in reading and 8 points in math;
 - 9-year-old Black students gained 14 points in reading and 13 points in math;
 - 9-year-old Hispanic students gained 12 points in reading and 17 points in math;
 - **9-year-olds' White-Black and White-Hispanic achievement gaps in reading and math narrowed by 25%, to the smallest size in the assessments' history.**
- For 13-year-olds, the White-Black achievement gap in reading has been cut nearly in half since 1971, **and cut by 24 percent in the last five years.**
- 13-year-olds' average math scores are at the highest level in more than 30 years, with **significant gains among White, Black and Hispanic students over the last five years.**

Recent NAEP Results Prove No Child Left Behind is Working

These dramatic increases over a 5-year period are no coincidence given No Child Left Behind's emphasis on improving student achievement for all students (especially minority students) in core academic subjects, particularly in grades 3-8.

Prepared by Office of Senator Judd Gregg

NEW “NATION’S REPORT CARD” SHOWS NCLB IS WORKING FOR ALL STUDENTS

African-American & Hispanic 9-Year-Olds Post Highest Scores Ever in Reading & Math

More Than Half the Progress in Reading Seen in the Report’s 30-Plus Year History Has Come in Last 5 Years

I. No Child Left Behind is Working

No Child Left Behind is working, and it’s working for all kids across America, according to data in the most recent “Nation’s Report Card,” a long-term view of student achievement to be released at 10 a.m. ET on Thursday, July 14.

The report shows that in the last five years, our nation’s kids – and minority students in particular – have made some of the greatest gains in the report’s history. In fact, more than half of the progress in reading seen in the Report Card’s 30-plus year history was made in the last five years. For example:

- America’s nine-year-olds are posting the best scores in reading and math in the history of this report, which dates to 1971 for reading and 1973 for math.
- Over the last five years, white, African-American, and Hispanic 13-year-olds have made significant gains in math.
- Thirteen-year-olds earned the highest math scores the test has ever recorded.
- More 9- and 13-year-olds said they are reading more than 20 pages a day.

Progress before 1999 was incremental, with student achievement changing a couple of points at a time in either direction. Then suddenly in the last five years, the score jumped an unprecedented seven points to 219, by far the highest score ever. What happened in the past five years to fuel this accelerated progress? America made the promise that no child would be left behind.

II. African-American Achievement on the Rise

With NCLB, we became the first nation to ever promise a quality education for all students and today we’re seeing the results of that promise as African-American elementary school students posted all-time best scores in both reading and math.

- Reading scores for African-American 9-year olds reached an all-time high, up an impressive 14 points since 1999 and 30 points better than 1971.
- Math scores for African-American 9-year olds reached an all-time high, up an impressive 13 points since 1999 and 34 points better than 1973.
- Math scores for African-American 13-year olds reached an all-time high, up an impressive 11 points since 1999 and 34 points better than 1973.
- The achievement gap between white and African-American students in reading is at an all-time low.

III. Hispanic Achievement on the Rise

We’re also seeing the results of the NCLB promise in increased achievement by Hispanic students:

- Reading scores for Hispanic 9-year olds reached an all-time high, up an impressive 12 points since 1999 and 22 points better than 1975.
- Math scores for Hispanic 9-year olds reached an all-time high, up an impressive 17 points since 1999 and 28 points better than 1973.

- Math scores for Hispanic 13-year olds reached an all-time high, up six points since 1999 and 26 points better than 1973.
- The achievement gap between white and Hispanic 9-year-olds students in math reached an all-time low.

IV. America's Achievement Gap is Closing

This year's Report Card shows that not only is achievement rising across the board, but America's achievement gap is also closing. Nine-year-old minority students have done especially well in the last five years.

- The achievement gap between white and African-American students in reading is the smallest it's ever been.
- Since the Report Card was first issued, African-American and Hispanic students have made impressive gains in reading and in math.
- These gains were made as our country's population became increasingly diverse. As our schools have enrolled more and more minority students, these students have scored increasingly better in reading and in math.

V. We still have work to do, especially in our nation's high schools.

- For 17-year-olds, reading and math scores have remained flat since the early 1970s.

V. Background

The National Assessment of Educational Progress (NAEP), commonly known as the Nation's Report Card, is overseen by the National Assessment Governing Board (NAGB), a bipartisan group of governors, state legislators, local and state school officials, educators, business representatives, and members of the general public.

Obviously this is not just any old test. It's the gold standard. It's now the yardstick we use to measure learning in each state and across the country. It provides policymakers with data about what works. It helps us make informed decisions that will help more kids learn.

The Report Card measures what America's students know and can do in various subject areas. Statistically, it is very reliable with over 14,000 students assessed in each subject. The Report Card includes two components: the long-term trend assessment and the main assessment. What is being announced on July 14 is the long-term assessment, which covers 1999-2004.

- The National Center for Education Statistics will announce the new long-term trend data at a 10 a.m. press briefing on July 14 at the National Press Club. Secretary Spellings will comment on this data at 1:30 p.m. ET in a keynote address at the Education Commission of the States National Forum in Denver.
- The long-term trend assessment criteria have not changed since the Report Card was first produced in the early 1970s. This test measures the knowledge of 9-year-olds, 13-year-olds, and 17-year-olds only at a national level. The report is mandated by Congress, but is not part of NCLB. The last long-term trend administration was in 1999.



NO CHILD LEFT BEHIND



No Child Left Behind Is Working!

Because of the accountability provisions in No Child Left Behind, schools are getting the information and help they need to focus their attention and resources on the children needing it the most – and it's working!

Multiple studies show that student achievement is rising across America.

- **According to the Nation's Report Card (NAEP) results released in July 2005, elementary school student achievement in reading and math is at an all-time high and the achievement gap is closing.**
 - America's 9-year-olds are posting the best scores in reading and math in the history of this report, which dates to 1971 for reading and 1973 for math. And 13-year-olds have earned the highest math scores the test has ever recorded.
 - Reading and math scores for African American and Hispanic 9-year-olds have reached an all-time high.
 - Math scores for African American and Hispanic 13-year-olds have reached an all-time high.
 - The achievement gaps in reading and math between white and African American 9-year-olds and between white and Hispanic 9-year-olds are at an all-time low.
- **A March 2005 Center on Education Policy study found that the majority of states surveyed—36 (73 percent)—report that student achievement is improving. Also, the study found that a majority of school districts surveyed—72 percent—are seeing improvements in student achievement.**
- **According to a study released in March 2005 by the Council of the Great City Schools, urban students are improving in reading and math achievement.**
 - The study found that between 2002 and 2004 the percentage of urban 4th graders scoring at or above proficiency on their respective state reading tests increased 7.9 percentage points.
 - During the same period, the percentage of urban 4th graders scoring at or above proficiency on their respective state math tests increased 11.2 percentage points.
- **An October 2004 study by The Education Trust found that student achievement in math and reading is rising and the achievement gap is closing.**
 - According to the report, 23 out of the 24 states for which there are three years' worth of publicly available math scores saw improvements in math achievement. Also, the majority of these states saw a narrowing of the math achievement gaps between white and African American students and between white and Hispanic students.
 - The report found that 15 out of the 23 states for which there are three years of reading data saw improvements in reading achievement. Also, the majority of these states saw a narrowing of the reading achievement gaps between white and African American students and between white and Hispanic students.
- **As states are releasing their student assessment results from the 2004-2005 school year, many are showing remarkable improvements in student achievement under No Child Left Behind.**

Because of the No Child Left Behind reforms, President Bush and Congress are investing more in elementary and secondary education than at any point in history.

- **From 2001 to 2005 there have been dramatic increases in education funding including:**
 - 40.1 percent (\$6.97 billion) increase in No Child Left Behind funding
 - 45.4 percent (\$3.98 billion) increase for Title I grants for economically disadvantaged students
 - 67 percent (\$4.25 billion) increase for Special Education (IDEA) grants to states
 - 37.4 percent (\$10.2 billion) increase in total K-12 funding
 - 34 percent (\$14.35 billion) increase in total federal education funding



NO CHILD LEFT BEHIND



Facts and Terms Every Parent Should Know About NCLB

President Bush made a commitment to ensure that all children receive a high quality education so that no child is left behind. And just one year after the President first took office, the No Child Left Behind Act (NCLB) passed overwhelmingly with support from Republicans and Democrats in Congress. NCLB has led to higher standards and greater accountability throughout the Nation's school systems. Here are some key facts and terms that you should know about how this historic law helps your child:

The Facts About No Child Left Behind

- **Funding:** No Child Left Behind gives school districts more money. In fact, President Bush and Congress are spending more money than ever before on the education of America's children.
- **Flexibility:** No Child Left Behind gives states and school districts more control and more flexibility to use resources where they are needed most. Principals and administrators will spend less time filling out forms and more time helping your child learn.
- **Accountability:** No Child Left Behind holds schools and school districts accountable for results. Schools are responsible for making sure your child is learning.
- **School District Report Cards:** No Child Left Behind gives parents report cards so they can see which schools in their district are succeeding and why. With this information, No Child Left Behind gives parents, community leaders, teachers, principals, and elected leaders the information they need to improve schools.
- **Public School Choice:** No Child Left Behind may let you transfer your child to another public school if the state says that your child's school is "in need of improvement." Your school district may pay for transportation for your child. Contact your child's school district to find out if your child has this opportunity.
- **Extra Help with Learning:** No Child Left Behind may also provide your child with free tutoring and extra help with schoolwork if the state says your child's school has been "in need of improvement" for at least 2 years. This extra help is often referred to as Supplemental Educational Services. Contact your child's school district to find out if your child qualifies.
- **Parental Involvement:** No Child Left Behind requires schools to develop ways to get parents more involved in their child's education and in improving the school. Contact your child's school to find out how you can get involved.
- **Measuring Knowledge:** No Child Left Behind requires states to test your child in reading and math every year in grades 3-8. Your child will also be tested at least once in high school. The tests will help you, your child, and your child's teachers know how well your child is learning and when he or she needs extra help.
- **Scientifically Based Research:** No Child Left Behind focuses on teaching methods that have been proven by research to work. There will be no more experimenting on children with educational fads.
- **Reading First:** No Child Left Behind provides more than one billion dollars a year to help children learn to read. Reading First is the part of No Child Left Behind that is dedicated to ensuring all children learn to read on grade level by the third grade. Reading First provides money to states and many school districts to support high quality reading programs based on the best scientific research. Contact your child's school district to find out if its reading program is based on research.
- **Teacher Quality:** No Child Left Behind provides funding to help teachers learn to be better teachers.



NO CHILD LEFT BEHIND



Terms Every Parent Needs to Know

- **Title I** – This is the part of No Child Left Behind that supports programs in schools and school districts to improve the learning of children from low-income families. The U.S. Department of Education provides Title I funds to states to give to school districts based on the number of children from low-income families in each district.
- **State Assessments** – This refers to the tests developed by your state that your child will take every year in grades 3-8 and at least once in high school. Using these tests, the state will be able to compare schools to each other and know which ones need extra help to improve. Contact your child's school or school district to find out more details about your state's tests.
- **Adequate Yearly Progress (AYP)** – This is the term No Child Left Behind uses to explain that your child's school has met state reading and math goals. Your school district's report card will let you know whether or not your child's school has made AYP.
- **School in Need of Improvement** – This is the term No Child Left Behind uses to refer to schools receiving Title I funds that have not met state reading and math goals (AYP) for at least two years. If your child's school is labeled a "school in need of improvement," it receives extra help to improve and your child has the option to transfer to another public school, including a public charter school. Also, your child may be eligible to receive free tutoring and extra help with schoolwork. Contact your child's school district to find out if your child qualifies.
- **Supplemental Educational Services (SES)** – This is the term No Child Left Behind uses to refer to the tutoring and extra help with schoolwork in subjects such as reading and math that children from low-income families may be eligible to receive. This help is provided free of charge and generally takes place outside the regular school day, such as after school or during the summer.
- **Highly Qualified Teacher (HQT)** – This is the term No Child Left Behind uses for a teacher who proves that he or she knows the subjects he or she is teaching, has a college degree, and is state-certified. No Child Left Behind requires that your child be taught by a Highly Qualified Teacher in core academic subjects.

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August Recess 2005 / District Work Period

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